

DD to Cut Intelligence Spending

Washington—Defense Dept. plans to reduce its intelligence expenditures by \$100 million in Fiscal 1971, requesting \$2.8 billion. The cutback reflects reduction of more than 6,500 employees, leaving the total projected for the end of Fiscal 1971 below 130,000.

Intelligence budget figures were released for the first time by Robert F. Froehlke, assistant defense secretary, in connection with major reorganization of Defense Dept. intelligence activities. The changes were ordered by Defense Secretary Melvin R. Laird as part of an effort to prevent repetition of past intelligence failures.

These included the Israeli attack on the USS Liberty in the Mediterranean during the 1967 Arab-Israeli war, the Pueblo capture by North Korea in January, 1968, and the surprise Tet offensive by Vietnam Communists the following month. Congressional critics claimed both ship incidents could have been averted and the Tet offensive blunted if proper information and communications practices had been followed.

In recent hearings, Froehlke told the House Appropriations defense subcommittee he intends to consolidate all Defense Dept. intelligence operations under his management. Heart of the system he is developing is the Consolidated Intelligence Resources Information System (CIRIS).

Froehlke described this as "a sheaf of papers" listing all resources for collection of information and their areas of interest. Annual cost of each separate operation will be tallied, he told the subcommittee, with the aim of avoiding duplication of effort and selecting the least expensive method of obtaining the information.

He said he plans to keep the top staff below 15 people, to facilitate processing of information.

Some subcommittee members criticized Froehlke for alleged slowness in organizing a staff. He was appointed to his position by Laird last August.

Rep. Jamie L. Whitten (D-Miss.) asked, "What if we have three or four Pueblos and three or four Bay of Pigs while you are getting the staff?" Referring to former Defense Secretary Robert S. McNamara, Rep. Whitten said the problem at that time was not cost-effectiveness. "Where we failed or fell down was on the effectiveness part."